

With the support of Rep. Peter Welch, the U.S. House on Thursday passed legislation that will provide small businesses access to capital, robust incentives for investment and support for innovation and entrepreneurship.

The Small Business Lending Fund Act (H.R. 5297) passed by a vote of 237 to 187. Having been approved by the Senate last week, it now goes to President Obama for signature.

The bill includes small business lending provisions for which Welch has been advocating since he held a series of business roundtables last winter in St. Albans, White River Junction, Rutland and Berlin. It provides \$12 billion in tax cuts and is expected to create 500,000 new jobs.

"No matter where I go in Vermont, small business owners tell me that the biggest barrier they face is lack of access to credit. They're right," Welch said. "This bill attacks that problem head-on by providing new tools to lenders and borrowers to ensure that Vermont's hardworking business owners can create new jobs and thrive."

In the past 15 years, small businesses have created two-thirds of all new jobs. Since the start of the ongoing economic downturn, however, small businesses have shed six million jobs.

H.R. 5297 includes components of several bills Welch introduced to increase Small Business Administration (SBA) loan limits and ease access to loans. The bill includes the Small Business AIM Act (H.R. 5412), which expands an SBA loan program for small manufacturers, and a portion of the Express Loans Improvements Act (H.R. 4598), which raises the maximum loan size for the popular SBA Express program. Welch is a sponsor of both bills.

Additionally, H.R. 5297:

- Creates a targeted \$30 billion Small Business Lending Fund to provide small community banks with capital to increase small business lending.

- Provides \$1.5 billion in grants to support \$15 billion in new small business lending through already successful state programs.
- Extends Bonus Depreciation – allowing taxpayers to immediately write off 50 percent of the cost of new equipment.
- Increases to \$10,000 the tax deduction for start-up expenditures – doubling the current levels.
- Allows self-employed individuals to deduct health insurance costs for purposes of paying the self-employment tax.

Senators Patrick Leahy and Bernie Sanders voted for the Small Business Lending Fund Act when it passed the Senate last week.